

III. REMARKS

Claims 1-35 were presented for prosecution. Claims 27-35 were rejected under 35 USC 101 as being directed to non-statutory subject matter. Claims 1-4, 11-12, 14-17, 24-25, 27-28 and 34 were rejected under 35 USC 102(e) as allegedly being anticipated by Habiby et al., US 2003/0033215 (Habiby). Claims 5-6, 18-19 and 29-30 were rejected under 35 USC 103(a) as allegedly being unpatentable over Habiby in view of Carter, US 5,878,400. Claims 9-10, 22-23 and 33 were rejected under 35 USC 103(a) as allegedly being unpatentable over Habiby in view of Carter, and further in view Chaves, US 2002/0010643. Applicant has herein amended claims 1, 14 and 27. No new matter is believed added.

Applicant does not acquiesce in the correctness of the rejections and reserves the right to present specific arguments regarding any rejected claims not specifically addressed. Further, Applicant reserves the right to pursue the full scope of the subject matter of the claims in a subsequent patent application that claims priority to the instant application.

With regard to the 35 USC 101 rejections of claims 37-35, Applicant has herein amended claim 27 to recite a computer-based implementation, as well as an outputting step. Applicant submits that the claim meets the statutory requirements of 35 USC 101.

With regard to the 35 USC 102(c) rejections, Applicant submits that Habiby fails to teach each and every feature of the claimed invention. For example, claim 1 (and similarly claims 14 and 27) recites, *inter alia*, “a system for inputting a special pricing request from a reseller to a wholesaler, wherein the special pricing request includes a product identifier *and an end-user discount the reseller intends on applying to the transaction with the end-user.*” In other words, Applicant provides a system that processes transactional details relating to three different parties, namely details between the end-user and the reseller, and the reseller and the wholesaler. More

particularly, Applicant's claimed invention allows the reseller (i.e., middleman) to submit to the wholesaler not only a product identifier, but also *an end-user discount* the reseller wants to give to the end-user. Habiby fails to teach or even remotely suggest the concept of supplying the wholesaler with any transactional details occurring between the reseller and the end-user.

Habiby deals with a strictly two party system. Paragraph 0040 of Habiby merely states it allows "wholesalers and distributor to manage and maintain individual prices on a customer-by-customer basis." However, as further described, e.g., in paragraph 0045, wholesalers and distributors are defined by Habiby as two examples of resellers. "[W]holesalers and distributors ... resell manufactured goods to contractors." In other words, Habiby discloses a system in which the contractor (buyer) interfaces with either a wholesaler or distributor. "A wholesaler **or** distributor and buyer may negotiate contractual pricing that is honored specifically for the buyer." (See, e.g., paragraph 0060).

Moreover, nowhere does Habiby disclose a three party transaction in which a first party (reseller) provides to a second party (wholesaler) *an end-user discount* the first party (reseller) intends on giving a third party (end-user). By supplying the intended *end-user discount* to the wholesaler, Applicant provides a system in which prolonged negotiations are avoided between the reseller and the wholesaler. Conversely, Habiby explicitly requires that the contractor (MC) and wholesaler (WHS) to "negotiate repeatedly over a number of hours or days, via the WHS web site." (See paragraph 0085). The present invention avoids such a negotiation because the wholesaler knows, based on the *end-user discount*, how much profit the reseller will make on the transaction with the end-user. As such, Applicant's calculation system can automatically calculate special wholesale pricing that is fair to both the reseller and wholesaler without hours or days of negotiation.

Because Habiby fails to teach or disclose, *inter alia*, a system for calculating a special wholesale pricing between a wholesaler and a reseller for a transaction between the reseller and an end-user or the supplying of an *end-user discount* from a reseller to a wholesaler, Applicant submits that claim 1, and similarly claims 14 and 27, are allowable over the art of record. Each of the claims not specifically addressed herein is believed allowable for the reasons stated above, as well as their own unique features.

Applicant respectfully submits that the application is in condition for allowance. If the Examiner believes that anything further is necessary to place the application in condition for allowance, the Examiner is requested to contact Applicant's undersigned representative at the telephone number listed below.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael Hoffman", is written over a horizontal line. The signature is fluid and cursive.

Michael F. Hoffman
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